

TAB

TAB B

VOLUNTARY CONTRIBUTIONS REQUIRED TO PROVIDE C.S. ANNUITY
EQUAL TO SPECIAL ANNUITY OF PERSONNEL ENGAGED
IN CRIMINAL INVESTIGATION

1. General

- a. Personnel engaged in criminal investigation are eligible for retirement at age 55 with 20 years' service. Although Agency personnel are not eligible for such retirement, the following examples illustrate the amount of voluntary contributions that would be required to provide comparable annuities to employees at age 55 with 20 years' service.
- b. The formula for computing the annuity of personnel engaged in criminal investigation is equal to 2% of their average basic salary for any five consecutive years' service multiplied by the number of years of service.

2. Example 1

a. Assumptions

- (1) Average salary for five highest consecutive years = \$ 8,360
- (2) Age 55 and 20 years' service*

b. Basic annuity

- (1) Annuity of employee engaged in criminal investigation
$$\$8,360 \times 2\% = \$167.20 \times 20 \text{ (years' service)} = \$ 3,344$$
- (2) Regular C.S. annuity
$$\$8,360 \times 1\frac{1}{2}\% = \$125.40 \times 20 \text{ (years' service)} = \$ 2,508$$
- (3) Difference between (1) and (2) above = \$ 836

- c. Contributions required to purchase additional annuity equal to (3) above = \$11,943

*Agency employees are not eligible for optional retirement at age 55 with only 20 years of creditable service. The assumption of 20 years' service is made in order to establish a basis of comparability between the two systems.

3. Example 2

a. Assumptions

(1) Average salary for five highest and consecutive years = \$4900

(2) Age 55 and 20 years' service*

b. Basic annuity

(1) Annuity of employee engaged in criminal investigation

$\$4900 \times 2\% = \$98 \times 20 \text{ (Years' service)}$ = \$1960

(2) Regular C.S. annuity

$\$4900 \times 1\% = \$49 \neq \$25 = \$74 \times 20 \text{ (Years' service)}$ = \$1480

(3) Difference between (1) and (2) above = \$ 480

c. Contributions required to purchase additional annuity equal to (3) above = \$6857

*Agency employees are not eligible for optional retirement at age 55 with only 20 years of creditable service. The assumption of 20 years' service is made in order to establish a basis of comparability between the two systems.